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AMENDED IN ASSEMBLY JANUARY 24, 2006
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CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

ASSEMBLY BILL

No. 583

Introduced by Assembly Member Hancock

(Principal coauthor: ~~Senator Simitian~~ *coauthors: Senators Alquist and Simitian*)

(Coauthors: Assembly Members Bass, Berg, Canciamilla, Chan, Evans, Goldberg, Jones, Klehs, Koretz, Laird, Leno, Lieber, Lieu, Montanez, Mullin, Nation, Nava, Oropeza, Pavley, and ~~Saldana~~ *Saldana, Torrico, Wolk, and Yee*)

(Coauthors: Senators Alarcon, Bowen, Figueroa, Kuehl, Lowenthal, and ~~Ortiz~~ *Ortiz, and Torlakson*)

February 16, 2005

An act to amend, repeal, and add Section 8040 of the Elections Code, and to add Chapter 12 (commencing with Section 91015) to Title 9 of, and to repeal Section 85300 of, the Government Code, relating to the Political Reform Act of 1974.

LEGISLATIVE COUNSEL'S DIGEST

AB 583, as amended, Hancock. Political Reform Act of 1974: California Clean Money and Fair Elections Act of 2006.

(1) Existing law requires a county elections official to provide, upon request of a candidate, a declaration of candidacy, which is required to include specified information.

This bill would, ~~for display purposes only~~, if the Clean Money provisions described below were to be approved by the voters, additionally require the declaration of candidacy to include a statement of the amount of personal funds the candidate intends to use on his or her candidacy for the office.

(2) Under existing law, the Political Reform Act of 1974, a public officer is prohibited from expending or accepting any public moneys for the purpose of seeking elective office.

This bill would, ~~for display purposes only~~, repeal that provision and would enact the California Clean Money and Fair Elections Act of 2006, which would, ~~for display purposes only~~, authorize eligible candidates, as defined, to obtain public funds according to specified procedures and requirements, provided that certain thresholds are attained. The bill would, ~~for display purposes only~~, impose responsibility for the administration of the provisions of the bill on the Fair Political Practices Commission. This bill would, ~~for display purposes only~~, create the Clean Money Fund and, commencing with the fiscal year beginning on July 1, 2008, transfer an amount equal to \$0.01 per day times the number of California residents 18 years of age or older from the General Fund to the Clean Money Fund. It would, ~~for display purposes only~~, continuously appropriate those moneys in the Clean Money Fund to the Fair Political Practices Commission for the purpose of the public financing provisions of the act. The bill would make funding for the administrative and enforcement costs of the act subject to appropriation by the Legislature.

The bill would, ~~for display purposes only~~, add contribution limits that, among other things, limit contributions to a candidate for statewide elective office who does not participate in Clean Money Fund funding.

(3) The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act by a statute that becomes effective only when approved by the voters.

This bill would, ~~for display purposes only~~, require the Secretary of State to submit those provisions of the act that amend the Political Reform Act of 1974 to the voters for approval at the June 3, 2008, statewide primary election.

~~(4) This bill would provide that its provisions shall not become operative and that its provisions are for display purposes only. The bill would also state the intent of the Legislature that a conference committee be established to consider the bill's provisions.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 8040 of the Elections Code is amended to read:

8040. (a) The declaration of candidacy by a candidate shall be substantially as follows:

DECLARATION OF CANDIDACY

I hereby declare myself a ____ Party candidate for nomination to the office of ____ District Number ____ to be voted for at the primary election to be held ____, 20__, and declare the following to be true:

My name is _____.

I want my name and occupational designation to appear on the ballot as follows: _____.

Addresses:

Residence _____

Business _____

Mailing _____

Telephone numbers: Day ____ Evening ____

Web site: _____

I meet the statutory and constitutional qualifications for this office (including, but not limited to, citizenship, residency, and party affiliation, if required).

I am at present an incumbent of the following public office (if any) ____.

If nominated, I will accept the nomination and not withdraw.

Signature of candidate

1 State of California)
2 County of _____) ss.
3)
4

5 Subscribed and sworn to before me this ____ day of ____, 20__.

6 _____
7 Notary Public (or other official)

8 Examined and certified by me this ____ day of ____, 20__.

9 _____
10 County Elections Official

11 WARNING: Every person acting on behalf of a candidate is
12 guilty of a misdemeanor who deliberately fails to file at the
13 proper time and in the proper place any declaration of candidacy
14 in his or her possession which is entitled to be filed under the
15 provisions of the Elections Code Section 18202.

16 (b) A candidate for a judicial office may not be required to
17 state his or her residential address on the declaration of
18 candidacy. However, in cases where the candidate does not state
19 his or her residential address on the declaration of candidacy, the
20 elections official shall verify whether his or her address is within
21 the appropriate political subdivision and add the notation
22 “verified” where appropriate.

23 (c) If the provisions of the statutory enactment adding this
24 subdivision that add Chapter 12 (commencing with Section
25 91015) to Title 9 of the Government Code are approved by the
26 voters at the June 3, 2008, *statewide* primary election, this
27 section shall become inoperative on June 4, 2008, and as of that
28 date is repealed.

29 SEC. 2. Section 8040 is added to the Elections Code, to read:

30 8040. (a) The declaration of candidacy by a candidate shall
31 be substantially as follows:

32
33 DECLARATION OF CANDIDACY

34
35 I hereby declare myself a ____ Party candidate for nomination to the office
36 of ____ District Number ____ to be voted for at the primary election to be
37 held ____, 20__, and declare the following to be true:

38 My name is _____.

39 I want my name and occupational designation to appear on the ballot as
40 follows: _____.

Addresses:

Residence _____

Business _____

Mailing _____

Telephone numbers: Day _____ Evening _____

Web site: _____

It is my intent to spend \$_____ of my personal funds on my candidacy for this office.

I meet the statutory and constitutional qualifications for this office (including, but not limited to, citizenship, residency, and party affiliation, if required).

I am at present an incumbent of the following public office (if any) _____.

If nominated, I will accept the nomination and not withdraw.

Signature of candidate

State of California)
County of _____) ss.
_____)

Subscribed and sworn to before me this ____ day of ____, 20__.

Notary Public (or other official)

Examined and certified by me this ____ day of ____, 20__.

County Elections Official

WARNING: Every person acting on behalf of a candidate is guilty of a misdemeanor who deliberately fails to file at the proper time and in the proper place any declaration of candidacy in his or her possession which is entitled to be filed under the provisions of the Elections Code Section 18202.

(b) A candidate for a judicial office may not be required to state his or her residential address on the declaration of candidacy. However, in cases where the candidate does not state his or her residential address on the declaration of candidacy, the elections official shall verify whether his or her address is within

1 the appropriate political subdivision and add the notation
2 “verified” where appropriate.

3 (c) This section shall be inoperative until June 4, 2008. On that
4 date, it shall become operative only if the provisions of the
5 statutory enactment adding this section that add Chapter 12
6 (commencing with Section 91015) to Title 9 of the Government
7 Code are approved by the voters at the June 3, 2008, *statewide*
8 primary election. If the voters at that election do not approve the
9 addition of Chapter 12 (commencing with Section 91015) to Title
10 9 of the Government Code as provided in the act that adds this
11 section, this section shall not go into operation and shall be
12 repealed as of June 4, 2008.

13 SEC. 3. Section 85300 of the Government Code is repealed.

14 SEC. 4. Chapter 12 (commencing with Section 91015) is
15 added to Title 9 of the Government Code, to read:

16
17 CHAPTER 12. CALIFORNIA CLEAN MONEY AND FAIR
18 ELECTIONS ACT OF 2006

19
20 Article 1. General

21
22 91015. This chapter shall be known and may be cited as the
23 California Clean Money and Fair Elections Act of 2006.

24 91017. The people find and declare all of the following:

25 (a) The current campaign finance system burdens candidates
26 with the incessant rigors of fundraising and thus decreases the
27 time available to carry out their public responsibilities.

28 (b) The current campaign finance system diminishes the free
29 speech rights of nonwealthy voters and candidates whose voices
30 are drowned out by those who can afford to monopolize the arena
31 of paid political communications.

32 (c) The current campaign finance system fuels the public
33 perception of corruption at worst and conflict of interest at best
34 and undermines public confidence in the democratic process and
35 democratic institutions.

36 (d) The ever-increasing costs of political campaigns in
37 competitive races force most candidates to raise larger and larger
38 percentages of their campaign moneys from interest groups that
39 have a specific financial stake in the outcome of the elections and
40 in matters before our state government.

1 (e) Existing term limits place a greater demand on fundraising
2 for the next election even for elected officials in safe seats.

3 (f) The rapidly increasing amounts of independent
4 expenditures point to a growing trend of special interest groups
5 to funnel funds through independent expenditure committees in
6 an effort to skirt the contribution laws.

7 (g) The current campaign finance system undermines the First
8 Amendment right of voters and candidates to be heard in the
9 political process, undermines the First Amendment right of
10 voters to hear all candidates' speech, and undermines the core
11 First Amendment value of open and robust debate in the political
12 process.

13 (h) Because of legislative reapportionment, most legislative
14 campaigns are not competitive and thus candidates do not have to
15 spend huge amounts of money to be elected. However, in
16 competitive elections, costs can exceed one million dollars
17 (\$1,000,000). This law is designed to address both situations by
18 providing smaller amounts of public funds in noncompetitive
19 races and much larger amounts in competitive contests. By doing
20 this, the California Clean Money and Fair Elections Act of 2006
21 saves the taxpayers of California from unnecessarily expending
22 large amounts of public moneys.

23 (i) In states where the clean money and clean election laws
24 have been enacted and used, election results show that more
25 individuals, especially women and minorities, run as candidates;
26 voter turnout increases and overall campaign costs decrease.

27 (j) The current campaign finance system creates a danger of
28 actual corruption by encouraging elected officials to take moneys
29 from private interests that are directly affected by governmental
30 actions.

31 91019. The people enact this chapter to accomplish the
32 following separate but related purposes:

33 (a) To reduce the influence of large contributions on the
34 decisions made by state government.

35 (b) To remove wealth as a major factor affecting whether an
36 individual chooses to become a candidate.

37 (c) To provide a greater diversity of candidates to participate
38 in the electoral process.

39 (d) To reverse the escalating cost of elections that have
40 increased far beyond the increases in the cost of living.

1 (e) To permit candidates to pursue policy issues instead of
2 being preoccupied with fundraising and allow officeholders more
3 time to carry out their official duties.

4 (f) To diminish the danger of actual corruption or the public
5 perception of corruption and strengthen public confidence in the
6 governmental and election processes.

7 (g) To ensure that independent expenditures are not used to
8 evade contribution limits.

9 91021. The people enact this chapter to further accomplish
10 the following separate but related purposes:

11 (a) ~~It would~~ To foster more equal and meaningful participation
12 in the political process.

13 (b) ~~It would~~ To provide candidates who participated in the
14 program with sufficient resources with which to communicate
15 with voters.

16 (c) ~~It would~~ To increase the accountability of each elected
17 official to the constituents who elect him or her, as opposed to
18 the contributors who fund his or her campaigns.

19 (d) ~~It would~~ To provide voters with timely information
20 regarding the sources of campaign contributions, expenditures,
21 and political advertising.

22
23 Article 2. Applicability to the Political Reform Act of 1974
24

25 91023. Unless specifically superseded by this act, the
26 definitions and provisions of the Political Reform Act of 1974
27 shall govern the interpretation of this chapter.

28
29 Article 3. Definitions
30

31 91025. (a) The contributions of an entity whose contributions
32 are directed and controlled by any individual shall be aggregated
33 with contributions made by that individual and any other entity
34 whose contributions are directed and controlled by the same
35 individual.

36 (b) If two or more entities make contributions that are directed
37 and controlled by a majority of the same persons, the
38 contributions of those entities shall be aggregated.

39 (c) Contributions made by entities that are majority-owned by
40 any person shall be aggregated with the contributions of the

1 majority owner and all other entities majority-owned by that
2 person, unless those entities act independently in their decisions
3 to make contributions.

4 91027. “Coordination” means a payment made for a
5 communication or anything of value that is for the purpose of
6 influencing the outcome of a state election and that is made:

7 (a) By a person in cooperation, consultation, or concert with,
8 at the request or suggestion of, or pursuant to a particular
9 understanding with a candidate, a candidate’s controlled
10 committee, or an agent acting on behalf of a candidate or a
11 controlled committee.

12 (b) By a person for the dissemination, distribution, or
13 republication, in whole or in part, of any broadcast or any
14 written, graphic, or other form of campaign material prepared by
15 a candidate, a candidate’s controlled committee, or an agent of a
16 candidate or a controlled committee.

17 (c) Based on specific information about the candidate’s plans,
18 projects, or needs provided to the person making the payment by
19 the candidate or the candidate’s agent who provides the
20 information with a view toward having the payment made.

21 (d) By a person if, in the same primary and general election in
22 which the payment is made, the person making the payment is
23 serving or has served as a member, employee, fundraiser, or
24 agent of the candidate’s controlled committee in an executive or
25 policymaking position.

26 (e) By a person if the person making the payment has served
27 in any formal policy or advisory position with the candidate’s
28 campaign or has participated in strategic or policymaking
29 discussions with the candidate’s campaign relating to the
30 candidate’s pursuit of nomination for election, or election, to a
31 state office, in the same primary and general election as the
32 primary and general election in which the payment is made.

33 (f) By a person if the person making the payment retains the
34 professional services of an individual or person who, in a
35 nonministerial capacity, has provided or is providing
36 campaign-related services in the same election to a candidate
37 who is pursuing the same nomination or election as any of the
38 candidates to whom the communication refers.

39 91029. “Entity” means any person other than an individual.

1 91031. “Excess expenditure amount” means the amount of
2 moneys spent or obligated to be spent by a nonparticipating
3 candidate in excess of the Clean Money amount available to a
4 participating candidate running for the same office. If a
5 participating candidate has made the choice specified in
6 subdivision (c) of Section 91097 in an election where there is
7 more than one participating candidate, then the Clean Money
8 amount available to the participating candidate shall be
9 considered to be the actual amount paid by the Clean Money
10 Fund to the candidate for that primary or general election period,
11 including any increase or decrease effected by the choice.

12 91033. “Exploratory period” means the period beginning 18
13 months before the primary election and ending on the last day of
14 the qualifying period. The exploratory period begins before, but
15 extends to the end of, the qualifying period.

16 91035. “General election campaign period” means the period
17 beginning the day after the primary election and ending on the
18 day of the general election.

19 91037. “Independent candidate” means a candidate who does
20 not represent a political party that has been granted ballot status
21 for the general election and who has qualified to be on the
22 general election ballot.

23 91039. “Independent electioneering expenditures” means any
24 expenditure of two thousand five hundred dollars (\$2,500) or
25 more made by a person, party committee, political committee or
26 political action committee, or any entity required to file reports
27 pursuant to Section 84605, during the 45 calendar days before a
28 primary or the 60 calendar days before a general election, which
29 expressly advocates the election or defeat of a clearly identified
30 candidate or names or depicts clearly identified candidates.

31 91041. “Majority-owned” means an ownership of 50 percent
32 or more.

33 91043. “Nonparticipating candidate” means a candidate who
34 is on the ballot but has chosen not to apply for Clean Money
35 campaign funding, a candidate who is on the ballot and has
36 applied but has not satisfied the requirements for receiving Clean
37 Money funding.

38 91045. “Office-qualified party” means a party whose
39 gubernatorial nominee has received 10 percent or more of the
40 votes at the last election or whose candidate for the same office

1 in the same district, whether statewide or legislative, as the
2 current candidate seeking Clean Money funding received 10
3 percent or more of the votes at the last election.

4 91046. "Office-qualified candidate" is a candidate seeking
5 nomination for a state office from an office-qualified party.

6 91047. "One party dominant legislative district" is a district
7 in which the number of registered voters for the party with the
8 highest number of registered voters exceeds the number of
9 registered voters for each of the other parties by an amount no
10 less than 20 percent of the total number of registered voters in the
11 district.

12 91049. "Participating candidate" means a candidate who
13 qualifies for Clean Money campaign funding. These candidates
14 are eligible to receive Clean Money funding during primary and
15 general election campaign periods.

16 91051. "Party candidate" means a candidate who represents a
17 political party that has been granted ballot status and holds a
18 primary election to choose its nominee for the general election.

19 91053. "Performance-qualified candidate" means a candidate
20 who has either won the primary nomination of an office-qualified
21 party or shown a broad base of support by gathering twice the
22 number of qualifying contributions as is required for an
23 office-qualified candidate. Independent candidates may qualify
24 for funding as performance-qualified candidates.

25 91055. "Petty cash" means cash amounts of one hundred
26 dollars (\$100) or less per day that are drawn on the Clean Money
27 Debit Card and used to pay expenses of no more than twenty-five
28 dollars (\$25) each.

29 91057. "Political party committee" means the state central
30 committee or county central committee of an organization that
31 meets the requirements for recognition as a political party
32 pursuant to Section 5100 of the Elections Code.

33 91059. "Primary election campaign period" means the period
34 beginning 120 days before the primary election and ending on
35 the day of the primary election.

36 91061. "Qualified candidate" means a candidate seeking
37 nomination for a state office from a party that is not an
38 office-qualified party.

39 91063. "Qualifying contribution" means a contribution of
40 five dollars (\$5) that is received during the designated qualifying

1 period by a candidate seeking to become eligible for Clean
2 Money campaign funding from a registered voter of the district
3 in which the candidate is running for office

4 91065. “Qualifying period” means the period during which
5 candidates are permitted to collect qualifying contributions in
6 order to qualify for Clean Money funding. It begins 270 days
7 before the primary election and ends 90 days before the day of
8 the primary election for qualified party candidates and begins any
9 time after January 1 of the election year and lasts 180 days but in
10 no event ending later than 90 days before the general election for
11 performance-qualified candidates who are running as
12 independent candidates.

13 91067. “Seed money contribution” means a contribution of
14 no more than one hundred dollars (\$100) made by a California
15 registered voter during the exploratory period.

16 91069. “Small contributor committee” means any committee
17 that meets all of the following criteria:

18 (a) The committee has been in existence for at least six
19 months.

20 (b) The committee has received contributions from 100 or
21 more persons.

22 (c) No one person has contributed to the committee more than
23 two hundred dollars (\$200) per calendar year.

24 (d) The committee makes contributions to five or more
25 candidates.

26 (e) The committee is not a candidate-controlled committee
27 pursuant to Section 82016.

28 Article 4. Clean Money

29
30
31 91071. (a) An office-qualified candidate qualifies as a
32 participating candidate for the primary election campaign period
33 if the following requirements are met:

34 (1) The candidate files a declaration with the commission that
35 the candidate has complied and will comply with all of the
36 requirements of this act, including the requirement that during
37 the exploratory period and the qualifying period the candidate not
38 accept or spend private contributions from any source other than
39 seed money contributions, Clean Money funds, and political
40 party funds as specified in Section 91123.

1 (2) The candidate meets the following qualifying contribution
2 requirements before the close of the qualifying period:

3 (A) The office-qualified party candidate collects at least the
4 following number of qualifying contributions:

5 (i) Five hundred qualifying contributions for a candidate
6 running for the office of Member of the Assembly.

7 (ii) One thousand qualifying contributions for a candidate
8 running for the office of Member of the State Senate.

9 (iii) One thousand five hundred qualifying contributions for a
10 candidate running for the office of member of the State Board of
11 Equalization.

12 (iv) Seven thousand five hundred qualifying contributions for
13 a candidate running for any statewide office other than Governor.

14 (v) Twenty-five thousand qualifying contributions for a
15 candidate running for the office of Governor.

16 (B) No registered voter shall provide more than one qualifying
17 contribution for each office for which he or she is eligible to
18 vote.

19 (C) Each qualifying contribution shall be acknowledged by a
20 receipt to the contributor, with a copy submitted to the
21 commission by the candidate. The receipt shall include the
22 contributor's signature, printed name, and home address, the
23 date, and the name of the candidate on whose behalf the
24 contribution is made. In addition, the receipt shall indicate by the
25 contributor's signature that the contributor understands that he or
26 she may contribute a qualifying contribution to only one
27 candidate for each office for which the contributor is eligible to
28 vote, that the purpose of the qualifying contribution is to help the
29 candidate qualify for Clean Money campaign funding, and that
30 the contribution is made without coercion or reimbursement.

31 (D) A contribution submitted as a qualifying contribution that
32 does not include a signed and fully completed receipt shall not be
33 counted as a qualifying contribution.

34 (E) All five-dollar (\$5) qualifying contributions, whether in
35 the form of cash, check, or money order made out to the
36 candidate's campaign account, shall be deposited by the
37 candidate in the candidate's campaign account.

38 (F) All qualifying contributions' signed receipts shall be sent
39 to the commission and shall be accompanied by a check from the
40 candidate's campaign account for the total amount of qualifying

1 contribution moneys received for deposit in the Clean Money
2 Fund. This submission shall be accompanied by a signed
3 statement from the candidate indicating that all of the
4 information on the qualifying contribution receipts is complete
5 and accurate to the best of the candidate's knowledge and that the
6 amount of the enclosed check is equal to the sum of all of the
7 five-dollar (\$5) qualifying contributions the candidate has
8 received.

9 (b) A party-qualified candidate qualifies as a participating
10 candidate for the general election campaign period if both of the
11 following requirements are met:

12 (1) The candidate met all of the applicable requirements and
13 filed a declaration with the commission that the candidate has
14 fulfilled and will fulfill all of the requirements of a participating
15 candidate as stated in this act.

16 (2) As a participating candidate from an office-qualified party
17 during the primary election campaign period, the candidate had
18 the highest number of votes of the candidates contesting the
19 primary election from the candidate's respective party and,
20 therefore, won the party's nomination.

21 91073. A qualified candidate shall collect at least one half of
22 the number of signatures as required for an office-qualified
23 candidate for the same office. A qualified candidate may show a
24 greater base of support by collecting double the amount of
25 signatures as required for an office-qualified candidate to become
26 a performance-qualified candidate. The candidate shall also file a
27 declaration with the commission that the candidate has complied
28 and will comply with all of the requirements of this act. For a
29 candidate who does not run in a primary, the qualifying period
30 begins any time after January 1 of the election year and lasts 180
31 days, except that it shall end no later than 90 days before the
32 general election. A candidate who is not an office-qualified
33 candidate shall notify the commission within 24 hours of the day
34 when the candidate has begun collecting qualifying
35 contributions.

36 91075. During the first election that occurs after the effective
37 date of this act, a candidate may be certified as a participating
38 candidate, notwithstanding the acceptance of contributions or
39 making of expenditures from private funds before the date of
40 enactment that would, absent this section, disqualify the

1 candidate as a participating candidate, provided that any private
2 funds accepted but not expended before the effective date of this
3 act meet any of the following criteria:

- 4 (a) Are returned to the contributor.
- 5 (b) Are held in a special campaign account and used only for
6 retiring a debt from a previous campaign.
- 7 (c) Are submitted to the commission for deposit in the Clean
8 Money Fund.

9 91077. A participating candidate who accepts any benefits
10 during the primary election campaign period shall comply with
11 all of the requirements of this act through the general election
12 campaign period whether the candidate continues to accept
13 benefits or not.

14 91079. (a) During the primary and general election campaign
15 periods, a participating candidate who has voluntarily agreed to
16 participate in, and has become eligible for, Clean Money
17 benefits, shall not accept private contributions from any source
18 other than the candidate's political party as specified in Section
19 91123.

20 (b) During the qualifying period and the primary and general
21 election campaign periods, a participating candidate who has
22 voluntarily agreed to participate in, and has become eligible for,
23 Clean Money benefits shall not solicit or receive political
24 contributions for any other candidate or for any political party or
25 other political committee.

26 (c) No person shall make a contribution in the name of another
27 person. A participating candidate who receives a qualifying
28 contribution or a seed money contribution that is not from the
29 person listed on the receipt required by subparagraph (D) of
30 paragraph (2) of subdivision (a) of Section 91071 shall be liable
31 to pay the commission the entire amount of the inaccurately
32 identified contribution, in addition to any penalties.

33 (d) During the primary and general election campaign periods,
34 a participating candidate shall pay for all of the candidate's
35 campaign expenditures, except petty cash expenditures, by means
36 of a "Clean Money Debit Card" issued by the commission, as
37 authorized under Section 91137.

38 (e) Eligible candidates shall furnish complete campaign
39 records, including all records of seed money contributions and
40 qualifying contributions, to the commission at regular filing

1 times. Candidates shall cooperate with any audit or examination
2 by the commission, the Franchise Tax Board, or any enforcement
3 agency.

4 91081. (a) During an election, each participating candidate
5 shall conduct all campaign financial activities through a single
6 campaign account.

7 (b) Notwithstanding Section 85201, a participating candidate
8 may maintain a campaign account other than the campaign
9 account described in subdivision (a) if the other campaign
10 account is for the purpose of retiring a campaign debt that was
11 incurred during a previous election campaign in which the
12 candidate was not a participating candidate.

13 (c) Contributions for the purposes of retiring a previous
14 campaign debt that are deposited in the “other campaign
15 account” described in subdivision (b) shall not be considered
16 “contributions” to the candidate’s current campaign. Those
17 contributions shall only be raised during the six-month period
18 following the date of the election.

19 (d) Participating candidates shall file reports of financial
20 activity related to the current election cycle separately from
21 reports of financial activity related to previous election cycles.

22 91083. (a) Participating candidates shall use their Clean
23 Money funds only for direct campaign purposes.

24 (b) A participating candidate shall not use Clean Money funds
25 for any of the following:

26 (1) Costs of legal defense in any campaign law enforcement
27 proceeding under this act.

28 (2) Indirect campaign purposes, including, but not limited to,
29 the following:

30 (A) The candidate’s personal support or compensation to the
31 candidate or the candidate’s family.

32 (B) The candidate’s personal appearance.

33 (C) Capital assets having a value in excess of five hundred
34 dollars (\$500) and useful life extending beyond the end of the
35 current election period determined in accordance with generally
36 accepted accounting principles.

37 (D) A contribution or loan to the campaign committee of
38 another candidate or to a party committee or other political
39 committee.

40 (E) An independent expenditure.

1 (F) A gift in excess of twenty-five dollars (\$25) per person.

2 (G) Any payment or transfer for which compensating value is
3 not received.

4 91085. (a) Personal funds contributed as seed money by a
5 candidate seeking to become eligible as a participating candidate
6 or by adult members of the candidate's family shall not exceed
7 the maximum of one hundred dollars (\$100) per contributor.

8 (b) Personal funds shall not be used to meet the qualifying
9 contribution requirement except for one five-dollar (\$5)
10 contribution from the candidate and one five-dollar (\$5)
11 contribution from the candidate's spouse.

12 91087. (a) The only private contributions a candidate seeking
13 to become eligible for Clean Money funding shall accept, other
14 than qualifying contributions and limited contributions from the
15 candidate's political party as specified in Section 91123, are seed
16 money contributions contributed by duly registered voters in the
17 district in which the candidate is running for election prior to the
18 end of the qualifying period.

19 (b) A seed money contribution shall not exceed one hundred
20 dollars (\$100) per donor, and the aggregate amount of seed
21 money contributions accepted by a candidate seeking to become
22 eligible for Clean Money funding shall not exceed:

23 (1) Ten thousand dollars (\$10,000) for a candidate running for
24 the office of Member of the Assembly.

25 (2) Twenty thousand dollars (\$20,000) for a candidate running
26 for the office of Member of the State Senate.

27 (3) Thirty thousand dollars (\$30,000) for a candidate running
28 for the office of member of the State Board of Equalization.

29 (4) Seventy-five thousand dollars (\$75,000) for a candidate
30 running for a statewide office other than Governor.

31 (5) Two hundred fifty thousand dollars (\$250,000) for a
32 candidate running for the office of Governor.

33 (c) Receipts for seed money contributions under twenty-five
34 dollars (\$25) shall include the contributor's signature, printed
35 name, street address, and ZIP Code. Receipts for seed money
36 contributions of twenty-five dollars (\$25) or more shall also
37 include the contributor's occupation and name of employer.
38 Contributions shall not be retained if the required disclosure
39 information is not received.

(d) Seed money shall be spent only during the exploratory and qualifying periods. Seed money shall not be spent during the primary or general election campaign periods. Any unspent seed money shall be turned over to the commission for deposit in the Clean Money Fund.

(e) Within 72 hours after the close of the qualifying period, candidates seeking to become eligible for Clean Money funding shall do both of the following:

(1) Fully disclose all seed money contributions and expenditures to the commission.

(2) Turn over to the commission for deposit in the Clean Money Fund any seed money the candidate has raised during the exploratory period that exceeds the aggregate seed money limit.

91091. Participating candidates in contested races shall agree to participate in at least one public debate during a contested primary election and two debates during a contested general election.

91093. (a) No more than five days after a candidate applies for Clean Money benefits, the commission shall certify that the candidate is or is not eligible. Eligibility may be revoked if the candidate violates the requirements of this act, in which case all Clean Money funds shall be repaid.

(b) The candidate's request for certification shall be signed by the candidate and the candidate's campaign treasurer under penalty of perjury.

(c) The commission's determination is final except that it is subject to a prompt judicial review.

Article 5. Clean Money Benefits

91095. (a) Candidates who qualify for Clean Money funding for primary and general elections shall:

(1) Receive Clean Money funding from the commission for each election, the amount of which is specified in Section 91099. This funding may be used to finance any and all campaign expenses during the particular campaign period for which it was allocated.

(2) If an office-qualified candidate or a performance-qualified candidate showing a broad base of support, receive additional Clean Money funding to match any excess expenditure amount

1 spent by a nonparticipating candidate, as disclosed pursuant to
2 Section 91107.

3 (3) If an office-qualified candidate or a performance-qualified
4 candidate showing a broad base of support, receive additional
5 Clean Money funding to match any independent expenditure or
6 independent electioneering expenditure made in opposition to
7 their candidacies or in support of their opponents' candidacies, as
8 disclosed pursuant to Section 91109, provided that the dollar
9 value of the independent expenditure or independent
10 electioneering expenditure, combined with the amount raised or
11 received thus far by any opposing candidate who benefits from
12 the independent expenditure or independent electioneering
13 expenditure, exceeds the original Clean Money funding amount
14 received by the participating candidate.

15 (b) The maximum aggregate amount of funding a participating
16 office-qualified candidate or a performance-qualified candidate
17 showing a broad base of support shall receive to match
18 independent expenditures and excess expenditures of
19 nonparticipating candidates shall be no more than five times the
20 original amount of Clean Money funding allocated to a
21 participating candidate for a particular primary or general
22 election campaign period.

23 (c) A qualified candidate shall be entitled to raise additional
24 private funds, subject to the contribution limitations imposed on
25 nonparticipating candidates, in an amount not to exceed what an
26 office-qualified candidate or a performance-qualified candidate
27 for the same office is entitled to receive in Clean Money funding
28 as set forth in subdivisions (a) and (b).

29 91097. (a) An eligible qualified or office-qualified candidate
30 shall receive the candidate's Clean Money funding for the
31 primary election campaign period on the date on which the
32 commission certifies the candidate as a participating candidate.
33 This certification shall take place no later than five days after the
34 candidate has submitted the required number of qualifying
35 contribution receipts, a check for the total amount of qualifying
36 contributions collected, and a declaration stating that the
37 candidate has complied with all other requirements for eligibility
38 as a participating candidate, but no earlier than the beginning of
39 the primary election campaign period.

1 (b) An eligible qualified or performance-qualified candidate
2 shall receive the candidate's Clean Money funding for the
3 general election campaign period within two business days after
4 certification of the primary election results.

5 (c) A participating candidate for Legislature running in the
6 primary of the dominant party in a one-party dominant district
7 may choose to reallocate a portion of the Clean Money funding
8 amount from the general election period to the primary period.
9 The candidate shall make this choice in a writing submitted to the
10 commission with the materials specified in subdivision (a) at the
11 close of the qualifying period. The participating candidate who
12 makes such a choice shall receive an additional amount equal to
13 50 percent of the amount specified for the general election for the
14 appropriate office as set forth in subdivision (b) of Section
15 91099. The amount a participating candidate who makes such a
16 choice shall receive at the beginning of the general election
17 period shall be reduced by 50 percent. The choice may also affect
18 the amount at which an opposing candidate may be considered to
19 have exceeded the amount of Clean Money funding available to
20 the participating candidate. If a competing participating
21 candidate transfers funds pursuant to this subdivision from the
22 general to the primary election by the close of the qualifying
23 period, any other participating candidate in the same election
24 may transfer the same amount of funds from the general to the
25 primary election by notifying the commission in writing within
26 five days of the close of the qualifying period.

27 91099. (a) For eligible candidates in a primary election:

28 (1) The amount of Clean Money funding for an eligible
29 office-qualified party candidate in a primary, special, or special
30 runoff election or for an eligible performance-qualified candidate
31 in a special or special runoff election is:

32 (A) One hundred thousand dollars (\$100,000) for a candidate
33 running for the office of Member of the Assembly.

34 (B) Two hundred thousand dollars (\$200,000) for a candidate
35 running for the office of Member of the State Senate.

36 (C) Two hundred fifty thousand dollars (\$250,000) for a
37 candidate running for the office of member of the State Board of
38 Equalization.

39 (D) One million dollars (\$1,000,000) for a candidate running
40 for a statewide office other than Governor or Attorney General.

1 (E) One million five hundred thousand dollars (\$1,500,000)
2 for a candidate running for Attorney General.

3 (F) Six million dollars (\$6,000,000) for a candidate running
4 for Governor.

5 (2) The amount of Clean Money funding for an eligible
6 performance-qualified candidate in a primary election is 20
7 percent of the amount an office-qualified party candidate running
8 for the same office could receive. The amount of Clean Money
9 ~~Funding~~ funding for an eligible performance-qualified candidate
10 in a special or special runoff election is equal to the amount an
11 office-qualified candidate running for the same office would
12 receive.

13 (3) The Clean Money funding amount for an eligible candidate
14 in a primary election where no other candidates are running in
15 any party primary for that seat is 10 percent of the amount
16 provided in a contested primary election.

17 (b) For eligible candidates in a general election:

18 (1) The amount of Clean Money funding for an eligible
19 performance-qualified candidate in a contested general election
20 is:

21 (A) One hundred fifty thousand dollars (\$150,000) for a
22 candidate running for the office of Member of the Assembly.

23 (B) Three hundred thousand dollars (\$300,000) for a candidate
24 running for the office of Member of the State Senate.

25 (C) Five hundred thousand dollars (\$500,000) for a candidate
26 running for the office of member of the State Board of
27 Equalization.

28 (D) Two million dollars (\$2,000,000) for a candidate running
29 for a statewide office other than Governor or Attorney General.

30 (E) Three million dollars (\$3,000,000) for a candidate running
31 for Attorney General.

32 (F) Ten million dollars (\$10,000,000) for a candidate running
33 for Governor.

34 (2) The amount of Clean Money funding for an eligible
35 qualified candidate in a contested general election is 25 percent
36 of the amount a performance-qualified candidate running for the
37 same office could receive.

Article 6. Disclosure Requirements

91107. (a) If a nonparticipating candidate's total expenditures or promises to make campaign expenditures exceed the amount of Clean Money funding allocated to the candidate's Clean Money opponent or opponents, the candidate shall declare every excess expenditure amount which, in the aggregate, is more than five thousand dollars (\$5,000) to the commission online or electronically within 24 hours of the time the expenditure or promise is made, whichever occurs first.

(b) The commission may make its own determination as to whether excess expenditures have been made by nonparticipating candidates.

(c) Upon receiving an excess expenditure declaration or determining that an excess expenditure has been made, the commission shall immediately release additional Clean Money funding to the opposing participating performance-qualified and office-qualified candidates. The amount released shall be equal to the excess expenditure amount the nonparticipating candidate has spent or has obligated to spend. The maximum aggregate amount of additional funding a participating candidate receives to match the total of independent expenditures and the excess expenditures of nonparticipating candidates is no more than an additional 500 percent of the participating candidate's actual initial Clean Money funding allocation for the relevant office.

91109. (a) In addition to any other report required by this chapter, a committee, including a political party committee, that is required to file reports pursuant to Section 84605 and that makes independent expenditures of one thousand dollars (\$1,000) or more during an election cycle in connection with a candidate, shall file online or electronically a report with the commission disclosing the making of the independent expenditure. This report shall disclose the same information required by subdivision (b) of Section 84204 and shall be filed within 24 hours of the time the independent expenditure is made.

(b) The report to the commission shall include a signed statement under penalty of perjury by the person or persons making the independent expenditure identifying the candidate or candidates whom the independent expenditure is intended to help

1 elect or defeat and affirming that the expenditure is independent
2 and whether it is coordinated with a candidate or a political party.

3 (c) Any individual or organization that fails to file the required
4 report to the commission or provides materially false information
5 in a report filed pursuant to subdivision (a) or (b) may be fined
6 up to three times the amount of the independent expenditure, in
7 addition to any other remedies provided by this act.

8 (d) Upon receiving a report that an independent expenditure
9 has been made or obligated to be made, the commission shall
10 immediately release additional Clean Money funding, equal in
11 amount to the cost of the independent expenditure, to all
12 participating candidates whom the independent expenditure is
13 intended to oppose or defeat in that specific primary or general
14 election, provided that:

15 (1) The dollar value of the independent expenditure, combined
16 with the amount raised or received thus far by any opposing
17 candidate who benefits from the independent expenditure,
18 exceeds the original actual Clean Money funding amount
19 received by the participating candidate.

20 (2) The maximum aggregate amount of additional funding a
21 participating candidate receives to match the total of independent
22 expenditures and the excess expenditures of nonparticipating
23 candidates is no more than an additional 500 percent of the
24 participating candidate's initial Clean Money funding allocation.

25 (e) A controlled committee of a candidate shall not make
26 independent expenditures and shall not contribute funds to
27 ~~another~~ other expenditures to support or oppose other candidates.

28 91111. (a) In addition to any other report required by this
29 chapter, a committee, including a political party committee, that
30 is required to file reports pursuant to Section 84605 and that
31 makes independent electioneering expenditures of one thousand
32 dollars (\$1,000) or more during an election cycle in connection
33 with a candidate, shall file online or electronically a report with
34 the commission disclosing the making of the independent
35 electioneering expenditure. This report shall disclose the same
36 information required by subdivision (b) of Section 84204 and
37 shall be filed within 24 hours of the time the independent
38 expenditure is made.

39 (b) The report to the commission shall include a signed
40 statement under penalty of perjury by the person or persons

1 making the independent electioneering expenditure identifying
2 the candidate or candidates whom the independent electioneering
3 expenditure is intended to help elect or defeat and affirming that
4 the expenditure is independent and whether it is coordinated with
5 a candidate or a political party.

6 (c) Any individual or organization that fails to file the required
7 report to the commission or provides materially false information
8 in a report filed pursuant to subdivision (a) or (b) may be fined
9 up to three times the amount of the independent electioneering
10 expenditure, in addition to any other remedies provided by this
11 act.

12 (d) Upon receiving a report that an independent electioneering
13 expenditure has been made or obligated to be made, the
14 commission shall immediately release additional Clean Money
15 funding, equal in amount to the cost of the independent
16 electioneering expenditure, to all participating candidates whom
17 the independent electioneering expenditure is intended to oppose
18 or defeat in that specific primary or general election, provided
19 that:

20 (1) The dollar value of the independent electioneering
21 expenditure, combined with the amount raised or received thus
22 far by any opposing candidate who benefits from the independent
23 electioneering expenditure, exceeds the original actual Clean
24 Money funding amount received by the participating candidate.

25 (2) The maximum aggregate amount of additional funding a
26 participating candidate receives to match the total of independent
27 electioneering expenditures and the excess expenditures of
28 nonparticipating candidates is no more than an additional 500
29 percent of the participating candidate's initial Clean Money
30 funding allocation.

31 91113. All broadcast and print advertisements placed by
32 candidates or their committees shall include a clear written or
33 spoken statement indicating that the candidate has approved of
34 the contents of the advertisement.

35 Article 7. Legal Defense, Officeholder, and Inaugural Funds

36
37
38 91115. (a) A candidate or elected state officer may establish
39 a separate account to defray attorney's fees and other related
40 legal costs incurred for the candidate's or elected state officer's

1 legal defense if the candidate or elected state officer is subject to
2 one or more civil or criminal proceedings or administrative
3 proceedings arising directly out of the conduct of an election
4 campaign, the electoral process, or the performance of the elected
5 state officer's governmental activities and duties. These funds
6 may be used only to defray those attorney's fees and other related
7 legal costs.

8 (b) An elected state officer may establish a separate account to
9 defray officeholder expenses that are set forth by the
10 commission. No funds from this account shall be used for a mass
11 mailing. No elected state officer accounts shall exceed fifty
12 thousand dollars (\$50,000) at any time.

13 (c) A Governor, Lieutenant Governor, or other statewide
14 officer may establish an inaugural account to cover the cost of
15 events, celebrations, gatherings, and communications that take
16 place as part of, or in honor of, the officer's inauguration.

17 (d) A candidate or elected state officer may receive
18 contributions of up to five hundred dollars (\$500) per person per
19 year in the aggregate for accounts in subdivisions (a), (b), and
20 (c). All contributions, whether cash or in kind, shall be reported
21 in a manner prescribed by the commission. Contributions to such
22 funds shall not be considered campaign contributions.

23 (e) Once the legal dispute is resolved or the elected state
24 officer leaves office, the candidate shall dispose of any funds
25 remaining after all expenses associated with the dispute are
26 discharged or after the elected state officer leaves office, for one
27 or more of the purposes set forth in paragraphs (1) to (5),
28 inclusive, of subdivision (b) of Section 89519.

29
30 Article 8. Restrictions on Candidates

31
32 91119. A nonparticipating candidate may transfer campaign
33 funds from one controlled committee to a controlled committee
34 for elective state office of the same nonparticipating candidate.
35 Contributions transferred shall be attributed to specific
36 contributors using a "last in, first out" or "first in, first out"
37 accounting method.

38 91121. A nonparticipating candidate may accept a
39 contribution after the date of the election only to the extent that
40 the contribution does not exceed net debts outstanding from the

1 election and the contribution does not otherwise exceed the
2 applicable contribution limit for that election. All debts shall be
3 repaid or written off no later than 90 days after the general
4 election.

5 91123. Candidates may accept monetary or in-kind
6 contributions from political parties provided that the aggregate
7 amount of such contributions from all political party committees
8 combined does not exceed the equivalent of 5 percent of the
9 original Clean Money financing allotment for that office for that
10 election. Such expenditures shall not count against the moneys
11 spent by Clean Money candidates.

12 13 Article 9. Ballot Pamphlet Statements 14

15 91127. The Secretary of State shall designate in the state
16 ballot pamphlet and on any Internet Web site listing of
17 candidates maintained by any government agency including, but
18 not limited, to the Secretary of State those candidates who have
19 voluntarily agreed to be participating candidates.

20 91131. (a) A candidate for statewide elective office who is a
21 participating candidate may place a statement in the state ballot
22 pamphlet, and a candidate for the Assembly, Senate, or Board of
23 Equalization who is a participating candidate may place a
24 statement in the voter information portion of the sample ballot,
25 that does not exceed 250 words. The statement shall not make
26 any reference to any opponent of the candidate. The candidate
27 may also provide a list of up to 10 endorsers for placement in the
28 state ballot pamphlet or sample ballot, as appropriate. This
29 statement and list of endorsers shall be submitted in accordance
30 with timeframes and procedures set forth by the Secretary of
31 State for the preparation of the state ballot pamphlets and by
32 county elections officials for the preparation of sample ballots.

33 (b) A nonparticipating candidate for statewide elective office
34 may pay to place a statement in the state ballot pamphlet that
35 does not exceed 250 words, and a nonparticipating candidate for
36 the Assembly, Senate, or Board of Equalization may pay to place
37 a statement in the voter information portion of the sample ballot
38 that does not exceed 250 words. A nonparticipating candidate
39 may also pay to place a list of up to 10 endorsers in the state
40 ballot pamphlet or sample ballot, as appropriate. The statement

1 shall not make any reference to any opponent of the candidate.
2 This statement and list of endorsers shall be submitted in
3 accordance with timeframes and procedures set forth by the
4 Secretary of State for the preparation of the state ballot
5 pamphlets and by county elections officials for the preparation of
6 sample ballots. The nonparticipating candidate shall be charged
7 the pro rata cost of printing, handling, translating, and mailing
8 any campaign statement and list of endorsers provided pursuant
9 to this subdivision.

10
11 Article 10. Appropriations for the Clean Money Fund
12

13 91133. (a) A special, dedicated, nonlapsing Clean Money
14 Fund is created in the State Treasury. Commencing with the
15 fiscal year beginning on July 1, 2008, an amount equal to one
16 cent (\$0.01) per day times the number of California residents 18
17 years of age or older is hereby transferred annually from the
18 General Fund to the Clean Money Fund ~~and, notwithstanding~~
19 ~~Section 13340, continuously appropriated from the Clean Money~~
20 ~~Fund and, notwithstanding Section 13340, continuously~~
21 ~~appropriated from the Clean Money Fund to the commission for~~
22 ~~expenditure for the purpose of providing public financing for the~~
23 ~~election campaigns of certified participating candidates during~~
24 ~~primary and general campaign periods.~~

25 (b) Funding for the administrative and enforcement costs of
26 the commission related to this act shall be subject to
27 appropriation by the Legislature.

28 91135. Other sources of revenue to be deposited in the Clean
29 Money Fund shall include all of the following:

30 (a) The qualifying contributions required of candidates
31 seeking to become certified as participating candidates and
32 candidates' excess qualifying contributions.

33 (b) The excess seed money contributions of candidates seeking
34 to become certified as participating candidates.

35 (c) Unspent funds distributed to any participating candidate
36 who does not remain a candidate until the primary or general
37 election for which they were distributed, or funds that remain
38 unspent by a participating candidate following the date of the
39 primary or general election for which they were distributed.

1 (d) Voluntary donations made directly to the Clean Money
2 Fund.

3 (e) Other funds appropriated by the Legislature.

4 (f) Any interest generated by the Clean Money Fund.

5 (g) Any other sources of revenue from the General Fund or
6 from other sources as determined by the Legislature.

7 91136. The amount of moneys in the Clean Money Fund shall
8 not exceed four times the maximum annual contribution
9 specified in subdivision (a) of Section 91133. Any moneys that,
10 if deposited in the Clean Money Fund, would cause the balance
11 in that fund to exceed this limit shall be irrevocably transferred to
12 the General Fund.

13
14 Article 11. Administration
15

16 91137. (a) Upon a determination that a candidate has met all
17 the requirements for becoming a participating candidate as
18 provided for in this act, the commission shall issue to the
19 candidate a card, known as the “Clean Money Debit Card,” and a
20 “line of debit” entitling the candidates and members of the
21 candidate’s staff to draw Clean Money funds from a commission
22 account to pay for all campaign costs and expenses up to the
23 amount of Clean Money funding the candidate has received.

24 (b) Neither a participating candidate nor any other person on
25 behalf of a participating candidate shall pay campaign costs by
26 cash, check, money order, loan, or by any other financial means
27 other than the Clean Money Debit Card.

28 (c) Cash amounts of one hundred dollars (\$100) or less per
29 day may be drawn on the Clean Money Debit Card and used to
30 pay expenses of no more than twenty-five dollars (\$25) each.
31 Records of all such expenditures shall be maintained and
32 reported to the commission.

33 91139. If the commission determines that there are
34 insufficient funds in the program to fund adequately all
35 candidates eligible for Clean Money funds, the commission shall
36 reduce the grants proportionately to all eligible candidates. If the
37 commission notifies a candidate that the Clean Money funds will
38 be reduced and the candidate has not received any Clean Money
39 funds, the candidate may decide to be a nonparticipating
40 candidate. If a candidate has already received Clean Money

1 funds or wishes to start receiving such funds, a candidate who
2 wishes to collect contributions may do so in amounts up to the
3 contribution limits provided for nonparticipating candidates but
4 shall not collect more than the total of Clean Money funds that
5 the candidate was entitled to receive had there been sufficient
6 funds in the program less the amount of Clean Money funds that
7 will be or have been provided. If, at a later point, the commission
8 determines that adequate funds have become available,
9 candidates, who have not raised private funds, shall receive the
10 funds owed to them.

11
12 Article 12. Enforcement
13

14 91141. (a) If a participating candidate spends or obligates to
15 spend more than the Clean Money funding the candidate is given,
16 and if it is determined by the commission, subject to court
17 review, not to be an amount that had or could have been expected
18 to have a significant impact on the outcome of the election, then
19 the candidate shall repay to the Clean Money Fund an amount
20 equal to the excess.

21 (b) If a participating candidate spends or obligates to spend
22 more than the Clean Money funding the candidate is given, and if
23 that excess amount is determined by the commission, subject to
24 court review, to be an amount that had or could have been
25 expected to have a significant impact on the outcome of the
26 election, then the candidate shall repay to the Clean Money Fund
27 an amount up to 10 times the value of the excess.

28 (c) In addition to the remedies set forth in subdivisions (a) and
29 (b), if a participating candidate spends or obligates to spend more
30 than 110 percent of the candidate's Clean Money funding, he or
31 she shall be disqualified as a candidate, and, if
32 contemporaneously in elective office, shall forfeit that office.
33 Such a candidate shall be prohibited from running for reelection
34 or for any elective office for which the election is to be held less
35 than four years following the end of the month of the election
36 relating to which the violation occurred.

37 91143. It is unlawful for candidates to knowingly accept
38 more benefits than those to which they are entitled, spend more
39 than the amount of Clean Money funding they have received, or
40 misuse such benefits or Clean Money funding.

1 91145. Any person who knowingly or willfully violates any
2 provision of this chapter is guilty of a misdemeanor. Any person
3 who knowingly or willfully causes any other person to violate
4 any provision of this chapter, or who aids and abets any other
5 person in the violation of any provision of this chapter shall be
6 liable under this section.

7 91147. Prosecution for a violation of any provision of this
8 chapter shall be commenced within four years after the date on
9 which the violation occurred.

10 91149. No person convicted of a misdemeanor under this
11 chapter shall act as a lobbyist or state contractor, or run for
12 elective office, for a period of four years following the date of
13 conviction unless the court at the time of sentencing specifically
14 determines that this provision shall not be applicable.

15
16 Article 13. Cost of Living
17

18 91153. The commission shall adjust the contribution
19 limitations, voluntary spending limits, seed money provisions,
20 and the Clean Money Fund provisions in January of every
21 odd-numbered year to reflect any increase or decrease in the
22 Consumer Price Index and the increase in registered voters.
23 Those adjustments shall be rounded to the nearest ten dollars
24 (\$10) for the seed money provisions, one hundred dollars (\$100)
25 for the limitations on contributions, and one thousand dollars
26 (\$1,000) for the Clean Money provisions.

27 91157. On or before December 6 of each year ending in one,
28 the commission shall prepare and provide to each Member of the
29 Legislature and to the standing committees in the Assembly and
30 the Senate with jurisdiction over elections a report containing a
31 review and analysis of the functioning of the Clean Money Fund
32 and the commission's recommendations as to whether additional
33 adjustments, beyond those specified in Section 91153, should be
34 made to the voluntary spending limits, seed money provisions,
35 and Clean Money Fund provisions of this chapter, and suggesting
36 other changes that are advisable to further the purposes of this
37 act. The commission's recommendations shall be based upon an
38 analysis of the disclosures of campaign contributions and
39 expenditures made by nonparticipating candidates in the
40 preceding decade and other campaign financing information

1 available, and this analysis shall be set forth in detail in the
2 report.

3 SEC. 5. The provisions of Section 81012 of the Government
4 Code, which allow legislative amendments to the Political
5 Reform Act of 1974, shall apply to all of the provisions of this
6 act that are placed on the June 3, 2008, ballot.

7 SEC. 6. The Secretary of State shall, pursuant to subdivision
8 (b) of Section 81012 of the Government Code, submit Sections 3,
9 4, 5, and 7 of this act for approval by the voters at the June 3,
10 2008, statewide primary election, notwithstanding Section 9040
11 of the Elections Code.

12 SEC. 7. The section of this act that adds Chapter 12
13 (commencing with Section 91015) to Title 9 of the Government
14 Code shall be deemed to amend the Political Reform Act of 1974
15 as amended and all of the provisions of the Political Reform Act
16 of 1974 as amended that do not conflict with Chapter 12 shall
17 apply to the provisions of that chapter.

18 SEC. 8. The provisions of this act are severable. If any
19 provision of this act or its application is held invalid, that
20 invalidity shall not affect other provisions or applications that can
21 be given effect without the invalid provision or application.

22 ~~SEC. 9. The provisions of this act are set forth for display~~
23 ~~purposes only and shall not be operative.~~

24 ~~SEC. 10. It is the intent of the Legislature that a conference~~
25 ~~committee be established to consider the provisions of this~~
26 ~~measure.~~